

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PRIORITY MAIL CONTRACT 148 (MC2016-6)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-6

**NOTICE OF UNITED STATES POSTAL SERVICE OF  
AMENDMENT TO PRIORITY MAIL CONTRACT 148,  
WITH PORTIONS FILED UNDER SEAL**  
(December 27, 2016)

The Postal Service hereby provides notice that prices under Priority Mail Contract 148, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 148 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective one business day after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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December 27, 2016

**ATTACHMENT A**

**REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 148**

**AMENDMENT #2 OF  
SHIPPING SERVICES CONTRACT  
BETWEEN  
THE UNITED STATES POSTAL SERVICE  
AND  
[REDACTED]  
REGARDING PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer") entered into a shipping services contract regarding Priority Mail on September 28, 2015.

WHEREAS, the Parties desire to delete Section I.D.2, and Section I.F, and replace Section I.E, including Table 2, Section I.G, and Section I.H.

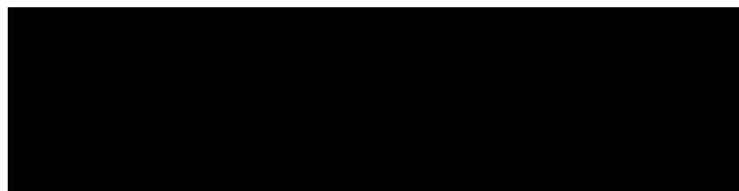
NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective one business day following the day on which the Commission issues all necessary regulatory approval.

[Delete Section I.D.2 in its entirety:]

D. [DELETED]

[Replace Section I.E, in its entirety, as follows, and include new Table 2 under Section I.E:]

E. Beginning on the effective date of this amendment, Customer will receive a discount off of prevailing Priority Mail Commercial Plus prices (PM CPP) for all Contract Packages, pursuant to Table 2.



[Delete Section I.F in its entirety:]

F. [DELETED]

[Replace Section I.G in its entirety, as follows:]

G. Subsequent Contract Year Prices. Throughout the duration of this contract, Customer will pay the prevailing Priority Mail Commercial Plus prices less the discount listed in Table 2 above, and rounded up to the nearest whole cent.

[Replaces Section I.H in its entirety, as follows:]

H. Quarterly Business Reviews. The Parties shall, within fifteen (15) days after the conclusion of each Contract Quarter in each Contract Year, jointly conduct a business review of Customer's Contract Packages and other performance expectations under this contract either in person, by telecom or by webinar. If either Party is unable to conduct a business review within fifteen (15) days after the conclusion of the above referenced contract quarters, it shall notify the other Party in writing (i.e. email or mail) of that fact and propose a date as soon as practicable thereafter.

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by:

Cliff Rucker

Printed Name:

Cliff Rucker

Title:

Senior VP Sales

Date:

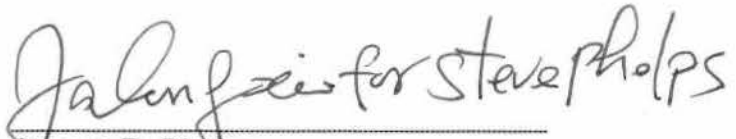
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**ATTACHMENT B**  
**SIGNED CERTIFICATION**

**Certification of Prices for Amendment to Priority Mail Contract 148**

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 148. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

  
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Steven R. Phelps

12/27/16